4. In cases where it becomes necessary to depute a Government servant from one Department to another on special temporary duty for the performance of which there is no permanently or temporarily sanctioned post, the Government servant so deputed will continue to retain his lien in the parent Department and to draw increments in the grade of the post in his parent Department only.

5. In practice, deputations from one department to another are also ordered against sanctioned posts in the new department. Such transfers on the basis of deputations should not generally extend beyond five years. Officials drawing higher scales of pay in their parent departments should not generally be deputed to work against posts carrying lower scales of pay in other departments and allowed to draw the pay or salary that they would have drawn from time to time in their parent departments. If, however, it is considered absolutely necessary to depute officials against posts on lower scales of pay, the correct procedure would be to create with the sanction of Government, in the offices to which they are deputed, temporary special posts on scales of pay identical with those in their parent departments in lieu of the posts previously sanctioned on lower scales of pay. The duration of such special posts will be coterminus with the period of deputation of the incumbents concerned.

6. The above provisions should be deemed to apply to all cases of transfers and deputations now in force as well as to cases that may arise in future.

N. MADHAVA RAO,
Secretary to Government,
Finance Department.

General rules regarding Accounting of transactions and classification of expenditure in respect of assistance rendered by Government to Local Bodies and Public Bodies in the form of (1) cash contributions and (2) execution of works through the Public Works Department.

OFFICIAL MEMORANDUM.

No. FL. (B) 2506-606—BUD. 6-54-1, DATED BANGALORE, THE 24TH MAY 1954.

Government have been rendering assistance to Local Bodies and Public Bodies in one of the following ways:—

1. Cash contributions.
2. Execution of works through the Public Works Department.

2. The question of proper accounting of these transactions and classification of expenditure incurred thereon having been under the consideration of Government, the following general rules are laid down in this behalf and will come into effect from 1st April 1954.

3. Contribution in cash made by the State to District Boards, Municipalities, etc., will be charged as expenditure under the head of account most closely connected with the object for which the contribution was made. Thus, a grant for the construction of a temple will be debited to "47 Miscellaneous Departments" a grant for the construction of a school to "37 Education", a grant for the construction of a drainage system to "39 Public Health", a grant for the construction of roads to "50 Civil Works", grant for works connected with Improvement of Water Supply in towns to "18 Other Revenue Expenditure—A. Irrigation" and a grant given for general purposes, such as grant to make good a deficit or as compensation for revenue resumed to "57 Miscellaneous".

4. But if a work for which Government assistance takes the form of a Deposit work executed by the Public Works Department on behalf of a Local Body, Government contribution should not be paid in cash to the Local Body, but adjusted by transfer credit to "P.W. Deposits" and debited to "Grants-in-aid"

under the P.W. Major Head concerned, irrespective of the object for which assistance is to be given. Thus an irrigation work will be classified under "Grants-in-aid" under the Major Head "18 Other Revenue Expenditure" and Civil Works, such as buildings or roads debited under "Grants-in-aid" in the Major Head "50 Civil Works".

5. In the case of (a) Contribution Works, which are executed partly from General Revenues and partly from the funds of the Local Bodies and (b) Irrigation Contribution Works, which are financed partly by Government and partly by private bodies, the Government contribution or an instalment of it will be paid only after the Local Body or private body has paid its own share in advance. Thus in the case of a work costing Rs. 2 lakhs to which Government has undertaken to contribute Rs. 1.5 lakhs, an instalment of Rs. 30,000 may be paid by Government as soon as the local or private body concerned makes a payment of Rs. 10,000. The bills on which the Government contribution is adjusted in the above manner should be countersigned by the Executive Engineer who should secure strict compliance with the rule. If, however, it is not desirable to suspend the works pending receipt of contribution from the local or private body, Government money may be spent in advance of its turn, but interest shall be charged at 5 per cent per annum on the amount so spent for the period it is advanced. In such cases, a demand for payment of the contribution shall ordinarily be made at least a month before the money is required, and the date on which it should be paid specified in the demand, and interest will accrue from that date or from such later date on which Government money may be actually advanced. If the allotment in a year is not sufficient to make the advance pending receipt of contributions from the local or private body concerned, orders of Government have to be obtained for provision of funds well in time. In cases where the excesses are comparatively small, appropriation to cover such excesses as are not expected to be cleared before the end of the financial year, shall be obtained from Government in December of each year under the suspense head "Miscellaneous—Public Works Advances".

6. The rule regarding the recovery of interest on Government money spent in advance of its turn may be relaxed in case of an amount spent in advance of the first instalment payable by a local body for a contribution work which is partly financed by that body by means of a loan. For on Government money spent in advance of the second and subsequent instalments, however, interest shall be charged unless ordered otherwise by Government in any particular case.

7. A contribution paid by a local body or a private person or body with the express object of meeting the whole or part of the cost of construction by the Public Works Department, of a specific work which is eventually to become the property of Government, should be credited in P.W. accounts to the debt head "P.W. Deposits". The Government share of expenditure will be met from grants under the relative Major Heads, *viz.*, "50 Civil Works" or "18 Other Revenue Expenditure".

8. Whenever Government do not waive the levy of Establishment and Tools and Plant charges, the contribution by private or local bodies should include charges on account of the above also. No charges for audit of accounts will be levied in such cases.

9. Water Supply Works executed from loans granted by Government to Local Bodies, will be accounted for directly against the Loan Account under "R. Loans and Advances".

N. MADHAVA RAO,
Secretary to Government,
Finance Department.

Issues certain instructions regarding strict adherence to Code Rules in regard to the prompt adjustment of Advances of Travelling Allowance originally drawn before such advances are subsequently drawn.

OFFICIAL MEMORANDUM.

No. FL. (B) 2609-709—C. R. 3-54-1, DATED BANGALORE, THE 24TH MAY 1954.

It is brought to notice by the Accountant-General, Mysore, Bangalore, that in some cases, subsequent advances of travelling allowance have been drawn before